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February 29, 2000

VIA FACSIMILE AND OVERNIGHT DELIVERY

Darrell Whitis, Utility Rate Specialist
Telecommunications Division
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37219

Re: In the Matter of the Application of Concentric Carrier Services, Inc. for a Certificate of Public Convenience and Necessity to Provide Facilities-Based and Resold Local Exchange, Exchange Access and Interexchange Telecommunications Services Throughout the State of Tennessee; **Responses to February 23, 2000 Data Request (Including Pre-Filed Testimony); Docket No. 00-00097.**

Dear Mr. Whitis:

Enclosed for filing on behalf of Concentric Carrier Services, Inc. ("Concentric") are an original and thirteen (13) copies of Concentric's Responses to the Authority's February 23, 2000 Data Requests, along with the pre-filed testimony of Peter J. Bergeron on behalf of Concentric. Concentric respectfully submits this information to assist and expedite the Authority's examination of its application in this matter.

Please date stamp the enclosed extra copy of this filing and return it in the self-addressed, postage prepaid envelope provided. Should you have questions concerning this filing, please do not hesitate to contact me at (202) 945-6987.

Respectfully submitted,



Kemal M. Hawa
Counsel for Concentric Carrier Services, Inc.

Enclosure

cc: Nicole Sommerfeld
Kelly Olson (w/o enclosures)

DOCKET NO. 00-00097

Concentric Carrier Services, Inc. – Responses to February 23, 2000 Data Request

Technical Requirements

1. Provide the geographic area that the company proposes to provision in Tennessee-i.e. Nashville, Memphis, Knoxville, entire state, etc.

Response:

Initially, Concentric plans to provide service in Chattanooga, Memphis, Nashville, and Knoxville, Tennessee. Concentric intends to expand its services to include all the areas that are currently being served by BellSouth Telecommunications, Inc. ("BellSouth") and United Telephone, S.E., Inc. ("Sprint").

2. Location of switches – i.e. cities.

Response:

Initially, Concentric will locate switches in Chattanooga, Memphis, Nashville, and Knoxville, Tennessee.

3. Address whether Tennessee customers will be required to purchase CPE which could not be used with ILEC systems, should the customer decide to go back to the ILEC, for whatever reason.

Response:

Concentric will not require customers to purchase customer premise equipment which is incompatible with ILEC systems. Concentric intends to use industry standard equipment to offer its services.

Financial Requirements

1. Address the cost of the proposed network, switches, or unbundled network elements (UNEs), etc.

Response:

Costs associated with collocation and UNEs will be at the rate set by the Authority. Multiplexing equipment may be \$100,000 per central office.

2. Provide the Company's next three year *projected* financial statements (Including Income Statement, Balance Sheet, and Statement of Cash Flows).

Response:

Concentric is a start-up company that does not have operations in any state at the present time. Concentric is currently unable to provide the requested projected financial statements; however, Concentric will provide these statements as soon as they become available.

3. Provide details of the funding for its proposed network, equipment purchases, or payment for UNEs such as:
 - 1) Internally generated funds (cash, marketable securities).
 - 2) Letters of credit.
 - 3) Loan commitments.
 - 4) Vendor credit.

Response:

Concentric will fund its proposed network, equipment purchases and payment for UNEs in a variety of ways. This includes internally generated funds contained in Concentric's most recent Securities and Exchange Commission Form 10-Q, attached to its Application as Exhibit B, which demonstrates Concentric's significant financial qualifications. Concentric will also pursue debtor equity financing from private and public resources as market conditions warrant.

An original, signed guaranty will be sent via overnight mail to the Commission, along with these responses, attached hereto as Exhibit 1.

4. Applicant should file a three year capital budget outlining what specific equipment will be deployed, where it will be deployed, and its cost.

Response:

Initially, Concentric plans to offer services through a combination of purchased and leased assets. Concentric does not currently own any telecommunications facilities in the State of Tennessee. Where Concentric proposed to offer xDSL services, it will do so primarily over its own facilities. These facilities will include unbundled local loops and Digital Subscriber Line Access Multiplexers ("DSLAMS"), which will be installed in incumbent local exchange carrier central offices. For all other services, Concentric initially will offer services to its subscribers through the resale of other carriers' facilities and network elements. In the future, Concentric may also construct its own facilities for these services where warranted, the selection of which would be made upon Concentric's analysis of facility cost, suitability, and quality of service. At such time as Concentric may plan to construct its own facilities, it will comply with the Commission's requirements and all other relevant regulations.

Costs associated with collocation and UNEs will be at the rate set by the Commission. Multiplexing equipment may be \$100,000 per central office.

5. State whether the financial statements reflect any amounts related to reciprocal compensation for terminating ISP traffic. If yes, please quantify.

Response:

No. Concentric financial statements do not reflect any amount related to reciprocal compensation for terminating ISP traffic.

Toll Dialing Parity Plan for Applicants Providing Voice Grade Service

If the Applicant chooses at some point in the future to provide voice grade service, they must file an appropriate toll dialing parity plan for TRA consideration at least 60 days prior to offering voice grade service. If the Applicant offers Voice Grade Service, then a Toll Dialing Parity Plan should be made available.

Response:

A copy of Concentric's Toll Dialing Parity Plan is attached hereto as Exhibit 2.

Miscellaneous

1. Notarized pre-filed testimony is needed for CLEC applications. The testimony should describe the services to be provided, the applicant's technical, managerial, and financial abilities to provide the services and affirm that all information submitted is true and correct.

Response:

The pre-filed testimony of Peter J. Bergeron is attached hereto as Exhibit 3. The signed original of the pre-filed testimony will be sent via overnight mail to the Commission.

2. NOTE: Applicant should file their tariff subsequent to the application's approval (tariffs filed with the applications are informational only, not an official filing).

Response:

Concentric will file its tariff upon approval and prior to offering telecommunication service in Tennessee.

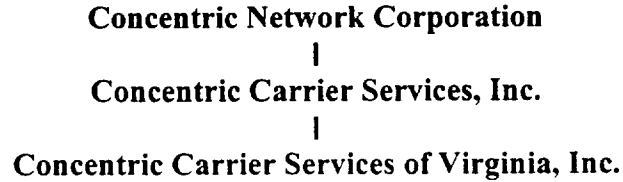
3. Has the applicant been involved in any pertinent mergers, acquisitions, etc.? Provide a chart reflecting the applicant's corporate structure.

Response:

Yes. On January 10, 2000, Concentric's parent company, Concentric Network Corporation, announced that it has entered into a definitive agreement for the combination of itself and Nextlink Communications, Inc. ("Nextlink"), creating a next-generation broadband communications company that will provide a full range of voice, data and Internet communications services. The transaction, valued at approximately \$2.9 billion, is expected to close in the second quarter of this year. In the transaction, each share of

Concentric Network Corporation common stock will be exchanged for \$45.00 of Nextlink common stock.

Concentric Carrier Services, Inc. is a wholly-owned subsidiary of Concentric Network Corporation. The corporate structure is reflected in the corporate organizational chart below.



4. The Wireline Activity Report should be submitted to the TRA on a monthly basis for applicants providing voice grade service.

Response:

Concentric will provide a Wireline Activity Report to the TRA to the extent required by the TRA.

5. Has Applicant been the subject of any complaints regarding its services or procedures anywhere?

Response:

Concentric Carrier Services, Inc. or its parent, Concentric Network Corporation, has never been the subject of any complaint related to its services or procedures in any jurisdiction.

EXHIBITS

Exhibit 1	Guaranty
Exhibit 2	Toll Dialing Parity Plan
Exhibit 3	Pre-Filed Testimony of Peter J. Bergeron

Exhibit 1

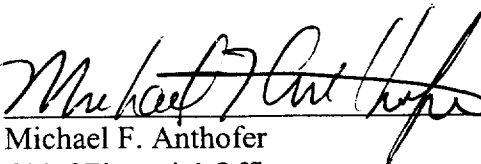
Guaranty

GUARANTY

STATE OF CALIFORNIA)
)
COUNTY OF SANTA CLARA)

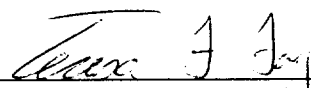
Concentric Network Corporation hereby guarantees the financial obligations of Concentric Carrier Services, Inc. ("Concentric Carrier Services") attendant to Concentric Carrier Services' operations as a telecommunications carrier in the State of Tennessee. Concentric Network Corporation is the owner of all of the issued and outstanding common stock of Concentric Carrier Services, and issues this Guaranty in support of Concentric Carrier Services's application for certification as a provider of facilities-based and resold local exchange service and interexchange service throughout the State of Tennessee.

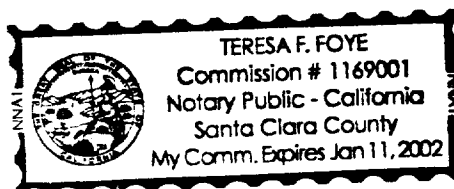
CONCENTRIC NETWORK CORPORATION

By: 
Michael F. Anthofer
Chief Financial Officer

The above-named Michael F. Anthofer appeared before me today and swore that (s)he is the Chief Financial Officer of Concentric Network Corporation and is duly authorized by it to execute the foregoing Guaranty on its behalf.

Subscribed and sworn to before me on the 15th day of MARCH, 2000.


Notary Public In and For the
State of CALIFORNIA



My Commission expires: 1-11-02

Exhibit 2

Toll Dialing Parity Plan

CONCENTRIC CARRIER SERVICES, INC.
INTRALATA PRESUBSCRIPTION IMPLEMENTATION PLAN

INTRODUCTION

In accordance with certain Federal Communications Commission ("FCC") Orders,^{1/} Concentric Carrier Services, Inc. ("Concentric") submits its implementation plan for intraLATA presubscription (the "Plan"). Concentric will comply with all rules and regulations of the FCC and Tennessee Regulatory Authority in its provision of intraLATA presubscription to Tennessee consumers.

Concentric will give end user customers the opportunity to designate a carrier for their intraLATA toll call traffic in those market areas where Concentric is a facilities-based local exchange service provider. IntraLATA toll calls will automatically be directed to the designated carrier without the customer having to dial an access code.

Initially, Concentric intends to operate in Chattanooga, Knoxville, Nashville, and Memphis, Tennessee. Concentric hopes to expand into and operate in all exchanges in all LATAs where local and toll competition is authorized.

POLICIES

Concentric will deploy two-PIC (Primary Interexchange Carrier) technology in its switches. This technology will enable the customer to presubscribe to the same or a different carrier for their intraLATA and/or interLATA service.

Concentric will offer customers the ability to access all participating carriers by dialing the appropriate access code (10XXX/101XXXX).

Concentric will provide its customers with nondiscriminatory access to telephone numbers, operator services, directory assistance and directory listings.

All eligible Concentric end user telephone line numbers will be presubscribed and must have a PIC (including "No PIC") associated with them.

CARRIER INFORMATION

^{1/} *In the Matter of Implementation of the Local Competition Provision of the Telecommunications Act of 1996*, CC Docket No. 96-98, *Petition of Southwestern Bell Telephone Company, Pacific Bell, and Nevada Bell for Expedited Declaratory Ruling on Interstate InterLATA Toll Dialing Party or, in the Alternative, Various Other Relief*, Order (March 23, 1999); *In the Matters of the Local Competition Provisions of the Telecommunications Act of 1996*, Second Report and Order, CC Docket No. 96-98 (August 8, 1996).

Interexchange carriers will have the option of offering intraLATA service only or intraLATA and interLATA service.

Interexchange carriers will have the option of participating in all market areas or in a specific market area.

Interexchange carriers will be required to return a completed Non-Disclosure Agreement and Participation Agreement(s).

Concentric will not participate in billing disputes for intraLATA service between alternative competing interexchange carriers and their customers.

Concentric representatives will not initiate or accept three-way calls from alternative interexchange carriers to discuss presubscription.

Carriers wishing to participate will be requested to submit Access Service Requests/Translation Questionnaires to the Access Tandem owner and to Concentric.

CALL ELIGIBILITY/TOLL DIALING PLAN

A local service customer of Concentric will have calls routed according to the following plan:

If a Concentric Customer Dials:

The Call is Handled By/Routed To:

911	PSAP on originating line number
411/555-1212	Concentric Directory Assistance Operator
0-	Concentric Operator
0 + intraexchange number	IntraLATA Toll Provider
1 + 7 or 10 digits	IntraLATA Toll Provider
0 + 7 or 10 digits interexchange number	InterLATA Toll Provider
10XXX or 101XXXX + 0-	XXX/XXXX Carrier
10XXX or 101XXXX + 0 + 7 or 10 digits	XXX/XXXX Carrier
10XXX or 101XXXX + 7 or 10 digits	XXX/XXXX Carrier

If a Concentric customer originates a call to a carrier Operator by dialing 00-, the call will be routed to the PIC on that customer's line. If the customer originates a call to a carrier Operator by dialing an access code (e.g., 10XXX/101XXXX + 0-), the call will be routed to the XXX/XXXX carrier. In both cases, the carrier's switch is responsible for routing this call to the carrier's Operator or to an announcement.

NETWORK INFORMATION

All originating intraLATA traffic will initially be routed via the incumbent Local Exchange Carrier (LEC) Access Tandem(s). Following conversion, direct trunks between the Concentric switch and the interexchange carrier location(s) may be provisioned where traffic volumes warrant.

Interexchange carriers must have Feature Group D trunks in place (or ordered) between their point of presence and the incumbent LEC Access Tandem(s).

Concentric will route all originating intraLATA traffic to the designated carrier and will only block traffic at the request of the end user customer and/or in compliance with regulatory requirements. Calls that cannot be completed to a carrier will be routed to an announcement.

CUSTOMER CONTACT INFORMATION

Concentric customer contact representatives will process customer initiated PIC selections to Concentric or to an alternative intraLATA carrier. Carriers will have the option of allowing the Concentric representative to process PIC requests on their behalf.

Concentric customer contact representatives will not comment on a customer's choice of its intraLATA PIC when the customer contacts Concentric to change the PIC. Concentric customer contact representatives will respond to customer inquiries about intraLATA carriers in a competitively neutral fashion. If a customer requests information relating to carriers other than Concentric, a list of participating carriers will be read to that customer in random order by Concentric representatives.

If the intraLATA toll carrier selected by the customer permits Concentric to process orders on its behalf, Concentric will accept the PIC change request. If the customer selects an intraLATA toll carrier that does not allow Concentric to process PIC changes on its behalf, Concentric will provide the customer with the carrier's toll-free number (if provided by the carrier).

Concentric representatives will not discuss alternative carrier rates or services and will not provide customers with Carrier Identification Codes or access code dialing instructions.

PRESUBSCRIPTION INFORMATION

A \$5.00 PIC change charge will be incurred and billed to a Concentric customer for each eligible line where a PIC change is made. Concentric will offer its customers a 90-day grace period following Plan implementation during which the customers may change intraLATA carriers without a PIC change charge. Customers can make multiple PIC changes during these 90 days at no charge. After the 90-day period, Concentric will assess the \$5.00 PIC change charge. Concentric offers interexchange carriers the option of having the PIC charge billed to the carrier or to the customer.

New line customers, including customers adding lines, will have the opportunity to select a participating carrier, or they will be assigned a NO PIC designation. If a customer cannot decide

upon an intraLATA carrier at the time of order, Concentric may extend a 30-day period following placement of the customer's service order for the customer to select an intraLATA carrier without charge. Such a customer will be assigned a NO PIC designation in the interim. After this 30-day period, Concentric will assess the \$5.00 PIC change charge as described above, if the customer chooses a presubscribed intraLATA carrier. Customers assigned a NO PIC designation as set forth in this paragraph will be required to dial an access code to reach an intraLATA carrier's network.

If a Concentric customer denies requesting a change in intraLATA toll providers as submitted by an intraLATA carrier, and the intraLATA carrier is unable to produce a Letter of Agency signed by the customer, the intraLATA carrier will be assessed a \$30.00 charge for the unauthorized PIC change and the PIC will be changed as per the customer's request, in addition to any other penalties authorized by law.

Alternative interexchange carriers may submit PIC changes to Concentric via a fax/paper interface.

Concentric will process intraLATA PIC selections in the same manner and under the same intervals of time as interLATA PIC changes.

Carriers will be required to submit PIC changes using the Customer Account Record Exchange (CARE) format via paper medium. Concentric will provide carriers with PIC order confirmation and reject information using the CARE format. Specific details regarding CARE will be provided to participating carriers.

For customers who change their local service provider from the incumbent LEC to Concentric and retain their incumbent LEC telephone number(s), Concentric, as part of the CARE PIC process, will provide the selected intraLATA carrier with both the retained (incumbent LEC) telephone number and the Concentric telephone number.

Exhibit 3

Pre-Filed Testimony of Peter J. Bergeron

TENNESSEE REGULATORY AUTHORITY

In the Matter of the Application of)
)
Concentric Carrier Services, Inc.)
)
for a Certificate of Convenience and)
Necessity to Provide Local Exchange)
and Interexchange Telecommunications)
Services Throughout the State of Tennessee)

Docket No. 00-00097

TESTIMONY OF PETER J. BERGERON

ON BEHALF OF

CONCENTRIC CARRIER SERVICES, INC.

I.

INTRODUCTION

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Peter J. Bergeron. My business address is Concentric Carrier Services, Inc.,
1400 Parkmoor Avenue, San Jose, California 95126.

Q. WHAT IS YOUR POSITION WITH CONCENTRIC CARRIER SERVICES, INC.?

A. I am the Corporate Secretary of both Concentric Carrier Services, Inc. ("Concentric") and
Concentric Network Corporation, the parent company of Concentric Carrier Services, Inc.

Q. PLEASE DESCRIBE YOUR BUSINESS EXPERIENCE AND BACKGROUND.

A. I have worked for Concentric Network Corporation since July, 1993. I have held various
positions at Concentric Network Corporation, including my current role as Director of
Administration since April, 1996. Prior to working at Concentric Network Corporation, I
held a variety of management position in industries unrelated to the Internet and
Telecommunications.

**Q. ARE YOU FAMILIAR WITH THE APPLICATION THAT WAS SUBMITTED
BY CONCENTRIC CARRIER SERVICES, INC. TO THE TENNESSEE
REGULATORY AUTHORITY ("AUTHORITY") ON FEBRUARY 9, 2000 FOR A
CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO PROVIDE
LOCAL EXCHANGE AND INTEREXCHANGE SERVICES?**

A. Yes, I am.

**Q DO YOU RATIFY AND CONFIRM THE STATEMENTS THAT ARE MADE IN
CONCENTRIC'S APPLICATION?**

A. Yes, I do.

II.

PURPOSE AND SUMMARY

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?

A. I submit this testimony on behalf of Concentric to demonstrate that Concentric's application for a Certificate of Public Convenience and Necessity to provide facilities-based and resold local exchange and interexchange telecommunications service meets the appropriate regulatory criteria and is in the public interest. It also describes the local exchange and interexchange services that Concentric Carrier Services, Inc. ("Concentric") proposes to offer in Tennessee and to review issues related to Concentric's request for a certificate to provide such services. My testimony specifically relates to Concentric's managerial, technical, and financial competence to provide the local exchange and interexchange telecommunications services for which authority is requested.

Q. PLEASE SUMMARIZE THE MAIN POINTS OF YOUR TESTIMONY.

A. My testimony will address several major issues:

- a description of Concentric's application for a Certificate of Public Convenience and Necessity to provide local exchange and interexchange services;
- a description of Concentric's managerial and technical qualifications;
- a description of Concentric's financial qualifications;
- a description of the specific services Concentric proposes to offer in Tennessee; and
- a demonstration that Concentric's proposed services are consistent with the public interest.

Q. PLEASE DESCRIBE THE AUTHORIZATION THAT CONCENTRIC SEEKS FROM THE AUTHORITY.

- A. Concentric seeks a Certificate of Public Convenience and Necessity to provide local exchange and interexchange telecommunications services. Concentric proposes to provide data transmission services over its leased facilities, through the use of unbundled network elements purchased from other certificated carriers and through the resale of services of other licensed carriers. Concentric intends to deploy xDSL technology to provide high-speed, high quality data connections. Concentric also seeks authority to provide voice grade local exchange telecommunications services.

Q. HAS CONCENTRIC BEEN AUTHORIZED TO PROVIDE LOCAL EXCHANGE SERVICES IN ANY OTHER JURISDICTIONS?

- A. Yes. Concentric is authorized to provide facilities-based and resold local exchange and interexchange telecommunications services in Colorado, the District of Columbia, Texas, and Washington. Concentric has applications for certification pending in: Alabama, Arizona, Arkansas, California, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Nevada, New York, New Mexico, New Jersey, North Carolina, Ohio, Oregon, Pennsylvania, Tennessee, Vermont, Virginia, and Wisconsin. Concentric is in the process of obtaining certification to provide telecommunications services in the remaining states. Concentric has not been denied requested certification in any jurisdiction, nor has it had a permit, license, or certificate revoked by any authority.

III.

LEGAL QUALIFICATIONS

Q. PLEASE DESCRIBE THE CORPORATE STRUCTURE OF CONCENTRIC.

A. Concentric is a corporation organized under the laws of the State of Delaware. Concentric is a wholly owned subsidiary of Concentric Network Corporation, a publicly traded Delaware corporation that is listed on the NASDAQ under the symbol "CNCX."

Q. IS CONCENTRIC LEGALLY AUTHORIZED TO DO BUSINESS IN TENNESSEE?

A. Yes. A copy of Concentric's authorization to transact business in Tennessee is attached as Exhibit E to Concentric's application.

IV.

MANAGERIAL AND TECHNICAL QUALIFICATIONS

Q. PLEASE OUTLINE CONCENTRIC'S MANAGERIAL AND TECHNICAL QUALIFICATIONS.

A. Concentric possesses the requisite managerial qualifications to provide its proposed facilities-based and resold local exchange and interexchange telecommunications services. Concentric's business plan will be driven by the technical and managerial expertise of its senior-level management as well as its investors and strategic partners. Each of Concentric's strategic partners are major investment and telecommunications firms with a proven track record of identifying excellent and capable management for successful telecommunications companies around the world. Descriptions of the telecommunications and managerial experience of Applicant's key personnel, who have extensive management, financial, and technical experience, are attached to Concentric's Application as Exhibit C.

Concentric is technically qualified to provide the proposed services in the State of Tennessee. Concentric currently does not own property in the State of Tennessee but plans to construct facilities in the State in the near future, including switches and numerous collocation arrangements in central offices to be determined. Concentric's management personnel are well qualified to execute its business plan, having extensive managerial, financial, and technical telecommunications experience as described in Exhibit C, attached to the Application.

V.

FINANCIAL QUALIFICATIONS

Q. PLEASE DESCRIBE CONCENTRIC's FINANCIAL QUALIFICATIONS.

A. Concentric possesses the financial qualifications necessary to conduct its proposed telecommunications operations as specified in its Application. During the initial start-up period, Concentric will rely upon the sizable financial assets of its parent company, Concentric Network Corporation ("Concentric Network Corp."), to ensure that it has sufficient capital to maintain its operations. As Concentric's revenues increase through the acquisition of new customers, Concentric's revenues will supplant Concentric Network Corp.'s assistance. Concentric Network Corp. is a publicly-traded corporation (NASDAQ: CNCX) headquartered in San Jose, California. Concentric is a wholly-owned subsidiary of Concentric Network Corp. Accordingly, Concentric submits, in Exhibit B to its Application, the most recent SEC Forms 10K and 10Q for Concentric Network Corp. This exhibit indicates Applicant's financial ability to provide the proposed services. With access to this financing, Concentric is financially well qualified to provide the telecommunications services proposed in its Application.

VI.

CONCENTRIC'S PROPOSED SERVICES

Q. PLEASE DESCRIBE THE TYPE OF SERVICE THAT CONCENTRIC WILL OFFER IN TENNESSEE.

- A. Concentric seeks a Certificate of Public Convenience and Necessity to provide facilities-based and resold local exchange and interexchange telecommunications services. Concentric specifically seeks authority to provide competitive access throughout Tennessee. Concentric also requests authority to provide switched access services to interexchange carriers on an equal access basis, which will allow Concentric's customers to originate and terminate intrastate and interstate calls to and from customers of interexchange carriers.

Concentric requests authority to provide local exchange services to business and residential customers located throughout Tennessee as authorized by the Authority. These exchange services include, but will not be limited to the following: (i) local exchange access services to single line and multi-line customers (including basic residential and business lines, direct inward/outward PBX trunk service, Centrex services and ISDN); (ii) local exchange usage services to customers of Concentric's end user access line services; (iii) competitive access to its customers; (iv) switched and special carrier access services to other common carriers; and (v) xDSL and other private line services. Additionally, Concentric seeks authority, through interconnection with other carriers, to offer 911 and enhanced 911 emergency services, directory assistance, operator assisted calling, dual party relay services, and other miscellaneous services currently provided by incumbent local exchange carriers. Concentric also requests authority to offer interexchange services throughout the State of Tennessee, including both inbound

and outbound intraLATA toll services. This will be accomplished through a combination of its own facilities and through the resale of the facilities of other authorized carriers.

Initially, Concentric plans to offer services through a combination of purchased and leased assets. Concentric does not currently own any telecommunications facilities in the State of Tennessee. Where Concentric proposes to offer xDSL services, it will do so primarily over its own facilities. These facilities will include unbundled local loops and Digital Subscriber Line Access Multiplexers ("DSLAMS"), which will be installed in incumbent local exchange carrier central offices. For all other services, Concentric initially will offer services to its subscribers through the resale of other carriers' facilities and network elements. In the future, Concentric may also construct its own facilities for these services where warranted, the selection of which would be made upon Concentric's analysis of facility cost, suitability, and quality of service. At such time as Concentric may plan to construct its own facilities, it will comply with the Authority's requirements and all other relevant regulations.

Concentric does not currently own any facilities in the State of Tennessee, including switches, in connection with or to facilitate communication by telephone. Prior to constructing facilities in Tennessee, the Petitioner will provide a description of the Tennessee facilities to be constructed as soon as such plans exist.

Concentric will offer its services pursuant to tariff on a non-discriminatory basis. The proposed services will be available on a full-time basis, 24 hours a day, seven days a week.

Q. WHAT FACILITIES WILL CONCENTRIC USE TO PROVIDE ITS PROPOSED LOCAL EXCHANGE AND INTEREXCHANGE SERVICES?

A. Concentric will provide service over its own facilities as well as through the leased facilities of other carriers.

Q. WHAT GEOGRAPHIC AREAS WILL CONCENTRIC SERVE?

A. Concentric seeks authority to provide facilities-based and resold local exchange and interexchange services throughout the State of Tennessee, and initially plans to provide service in the existing service areas of BellSouth and Sprint.

Q. WHAT CUSTOMER CLASS WILL CONCENTRIC SERVE INITIALLY?

A. Concentric will serve both business and residential customers.

Q. PLEASE DESCRIBE CONCENTRIC'S RATE STRUCTURE.

A. Concentric's proposed rates are set forth in the Tariff submitted as Exhibit F to its application.

Q. WILL CONCENTRIC'S TARIFF CONTAIN ALL OF ITS RATES AND CHARGES AS REQUIRED FOR INTRASTATE TELEPHONE SERVICES?

A. Yes. All rate elements will be set forth in a readily ascertainable form. Concentric's tariffs will list specific rate levels for each service and service element and will otherwise comply with the Authority's Rules.

VII.

PUBLIC INTEREST CONSIDERATIONS

Q. DOES CONCENTRIC HAVE A SMALL AND MINORITY-OWNED TELECOMMUNICATIONS BUSINESS PARTICIPATION PLAN, AS REQUIRED PURSUANT TO T.C.A. § 65-5-212?

A. Yes. Concentric submitted its Small and Minority-owned Telecommunications Business Participation Plan to the Authority as Exhibit A to its application on February 9, 2000.

Q. HAS CONCENTRIC DESIGNATED A PLAN ADMINISTRATOR WHO WILL

BE RESPONSIBLE FOR ADMINISTERING CONCENTRIC'S SMALL AND MINORITY-OWNED TELECOMMUNICATIONS BUSINESS PARTICIPATION PLAN?

- A. Yes. Nicole Sommerfeld will administer Concentric's Small and Minority-Owned Telecommunications Business Participation Plan. Ms. Sommerfeld may be reached at 1400 Parkmoor Avenue, San Jose, California 95126, telephone (408) 817-2479.

Q. PLEASE DESCRIBE THE PUBLIC INTEREST BENEFITS ASSOCIATED WITH CONCENTRIC'S PROPOSED OFFERING OF TELECOMMUNICATIONS SERVICES IN TENNESSE.

- A. Grant of Concentric's Application will further the public interest by expanding the availability of technologically advanced telecommunications facilities and services to Tennessee consumers. Concentric's network will utilize state-of-the art technology. Its presence in the market will afford consumers an additional choice of local and interexchange service providers. The public will benefit both directly, through the use of the high-quality and reliable digital transmission services to be offered by Concentric, and indirectly because the expanded presence of Concentric in the market will increase the incentives for other telecommunications providers to operate more efficiently, offer more innovative services, reduce their prices, and improve their quality of service. Grant of this Application is therefore in the public interest because it will further enhance the service options available to Tennessee citizens.

Q. WILL THE PROVISION OF THE PROPOSED TELECOMMUNICATIONS SERVICES COMPLY WITH THE AUTHORITY'S REQUIREMENTS?

- A. Yes. Concentric will comply with the applicable rules, policies and statutes governing its provision of the proposed telecommunications services or will request waivers where compliance would be burdensome and unnecessary in the competitive marketplace.

VIII.

CONCLUSION

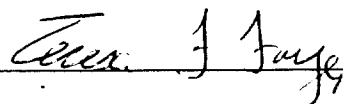
Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes, it does.



Peter J. Bergeron
Secretary
Concentric Carrier Services, Inc.

Subscribed and Sworn to me this 29th day of February, 2000.

Notary Public  Teresa F. Foye, Notary Public

My Commission Expires: 1-11-02

